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CONERGY

May 25, 2009

Dear Commissioners,

I am writing on behalf of Conergy. We are greatly concerned about the future of Solar Service Agreements. Specifically, I'm referring to the application of the Solar Alliance for a declaratory order that providers of Solar Service Agreements should not be considered Public Service Corporations (Docket No. E-20633A-08-0513). We believe it is imperative that the Commission rule in favor of the Solar Alliance in this matter.

Solar Service Agreements (SSAs) provide crucial impetus to the growth of the solar industry, helping to facilitate the implementation of the Commission's Renewable Energy Standard. In today's credit market, they offer a viable means to bypass the high up-front capital costs of solar.

The prospect that (SSA) providers would be regulated as public utilities is tremendously harmful for Arizona. It would place Arizona at a competitive disadvantage and it would discourage SSA providers from staying in this state. Regulation by the Corporation Commission would introduce a level of price uncertainty to a highly competitive market and would eliminate the already thin profit margins of these types of agreements.

As an interested provider of SSAs, I encourage you to support the application of the Solar Alliance.

Respectfully,

Gregg Cassarini
External Affairs Manager
Conergy

Arizona Corporation Commission
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